IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

INCOME TAX REFERENCE No. 79 of 1995

For Approval and Signature:

HONOURABLE MR.JUSTICE D.A.MEHTA Sd/-

HONOURABLE MS.JUSTICE H.N.DEVANI Sd/-

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1	Whether Reporters of Local Papers may be allowed to see the judgment ?
2	To be referred to the Reporter or not ?
3	Whether their Lordships wish to see the fair copy of the judgment ?
4	Whether this case involves a substantial question of law as to the interpretation of the constitution of India, 1950 or any order made thereunder ?
5	Whether it is to be circulated to the civil judge ?

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COMMISSIONER OF INCOME TAX - Applicant(s)
Versus
PARAMOUNT POLLUTION CONTROL (PVT) LTD. - Respondent(s)

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Appearance :
MR MANISH R BHATT for Applicant(s) : 1,
NOTICE SERVED for Respondent(s) : 1,

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CORAM : HONOURABLE MR.JUSTICE D.A.MEHTA
and
HONOURABLE MS.JUSTICE H.N.DEVANI

Date : 17/01/2006

ORAL JUDGMENT

(Per : HONOURABLE MS.JUSTICE H.N.DEVANI)

1 The Income Tax Appellate Tribunal, Ahmedabad Bench 'C' has referred the following question under Section 256(1) of the Income Tax Act,1961 (the Act) at the instance of the Commissioner of Income Tax :

> *"Whether, on the facts and in the circumstances of the case, the Tribunal is right in law in holding that the assessee is entitled to investment allowance on the cost of the computer?"*

2 The Assessment Year is 1986-87 and the corresponding accounting period is the year ended on 31/12/1985.

3 Heard Mrs.M.M.Bhatt, learned Standing Counsel for the applicant-revenue. Though served, there is no appearance on behalf of the respondent-assessee.

4 Mrs Bhatt has very fairly pointed out that the controversy involved in the present case stands concluded against the revenue by a decision of this Court rendered in assessee's own case in Income Tax Reference No.157 of 1993 on 15/6/2005, wherein this Court had followed its earlier decision in the case of *Commissioner of Income Tax Vs. Professional Information Systems and Management* (2005) 274 ITR 242. In the circumstances, it is not necessary to set out facts and contentions in detail.

5 Applying the ratio of the aforesaid decision of this Court in the case of *Commissioner of Income Tax Vs. Professional Information Systems*

and Management (supra) the question is answered in the affirmative i.e. in favour of the assessee and against the revenue.

6 The reference stands disposed of accordingly with no order as to costs.

Sd/- Sd/-
(D.A.Mehta,J) (H.N.Devani,J)

m.m.bhatt